

Company number 10998024

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

BIKEPARK HOLDINGS LIMITED (Company)

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THURSDAY



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COMPANIES HOUSE

Under Chapter 2 of Part 13 of the Companies Act 2006 (the Act), the following resolutions which were proposed as ordinary and a special resolutions (the **Resolutions**) were duly passed in writing on the above date.

ORDINARY RESOLUTION

1 Subdivision

THAT, the one ordinary share of £1.00 in the issued share capital of the Company be and is hereby sub-divided into 100 ordinary shares of £0.01 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing ordinary share of £1.00 each in the capital of the Company as set out in the Company's articles of association for the time being.

2 Authority to allot

THAT, subject to the passing of resolution 4 below, in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £251,314.79 being:

- a) 24,999,900 ordinary shares of £0.01 each; and
- b) 1,315,790 A ordinary shares of £0.001 each,

each having the respective rights and subject to the respective restrictions set out in the New Articles (as adopted and defined below) and provided that unless renewed, varied or revoked by the Company, this authority shall expire on the fifth anniversary of these Resolutions save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by these Resolutions has expired.

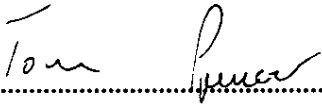
SPECIAL RESOLUTIONS

3 Disapplication of pre-emption rights

THAT, subject to the passing of resolution 2 and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by resolution 2, as if section 561(1) of the Act did not apply to any such allotment.

4 Adoption of articles

THAT the draft articles of association attached to this resolution (**New Articles**) be and are hereby adopted as the articles of association of the Company in substitution for, and to the exclusion of, all the Company's existing articles of association.


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Director

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Company number 10998024

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BIKEPARK HOLDINGS LIMITED

(Adopted by special resolution passed on 21 December 2017)

INTRODUCTION

1 Interpretation

1.1 The following definitions and rules of interpretation apply in these Articles:

A Shares	the A ordinary shares of £0.001 each in the capital of the Company.
Act	the Companies Act 2006.
acting in concert	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended).
Adoption Date	the date of adoption of these Articles.
Articles	the Company's articles of association for the time being in force.
Available Profits	profits available for distribution within the meaning of part 23 of the Act.
Bad Leaver	<p>an Employee who becomes a Departing Employee in circumstances where he:</p> <p>(a) voluntarily resigns within 5 years of the Adoption Date; or</p> <p>(b) is summarily dismissed by the Company in the circumstances set out in the service agreement of such Employee or otherwise as a result of gross misconduct,</p> <p>unless otherwise determined by the Board within 15 Business Days of the Employee becoming a Departing Employee.</p>
BCF Partners	Tom Spencer and Simon Stephenson (being the partners of BCF Ventures).
Business Day	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.
Capital Proceeds	has the meaning given to it in article 11.
Chairman	has the meaning given to it in article 6.6;

Company	BikePark Holdings Limited (Company number 10998024).
Company's Lien	has the meaning given to it in article 25.1.
Connected	has the meaning given in section 252 of the Act.
Controlling Interest	an interest in Ordinary Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.
Deemed Transfer Notice	a Transfer Notice which is deemed to have been served by any of the provisions of these Articles.
Departing Employee	an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company.
Directors	the directors of the Company from time to time.
Disposal	the disposal by the Company of all, or a substantial part of, its business and assets.
Disposal Proceeds	has the meaning given to it in article 12.3.
Eligible Director	a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).
EMI Scheme	the enterprise management incentive share option scheme adopted by the Company following the Adoption Date pursuant to which the Company may award options over up to 1,315,790 A Shares, such options to be issued, at the discretion of the Board;
Employee	an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company (but excluding any of the BCF Partners and Keith Pacey).
Equity Value	means: <ul style="list-style-type: none"> (a) in the context of a Share Sale: <ul style="list-style-type: none"> (i) where there is a sale of 100% of the Shares in issue a sum equal to the Total Consideration; and (ii) where there is a sale of less than 100% of the Shares in issue a sum equal to the grossed-up value of the Total Consideration being the actual Total Consideration increased on a pro rata basis to give a value attributable to sale of 100% of the Shares in issue; and (b) in the context of a Disposal a sum equal to the Disposal Proceeds.
Exit	a Share Sale or a Disposal.
Fair Value	has the meaning given in article 18.2.
Financial Year	an accounting reference period (as defined in section 391 of

	the Act) of the Company.
First Directors	has the meaning given in article 6.1.
Floor Equity Valuation	£10,000,000 (ten million pounds sterling).
Good Leaver	<p>an Employee who becomes a Departing Employee in circumstances where he is not a Bad Leaver, including but not limited to:</p> <ul style="list-style-type: none"> (a) death; (b) permanent disability or permanent incapacity through ill-health; (c) voluntary resignation of the Employee at any time after the fifth anniversary of the Adoption Date; and (d) redundancy.
Group	the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and Group Company shall be construed accordingly.
holding company	has the meaning given in article 1.10.
Independent Expert	the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller (or Shareholder Majority, as the case may be) on the identity of the expert within 10 Business Days of the expiry of the 20 Business Day period referred to in article 18.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);
Investors	has the meaning given in the Investment Agreement.
Investment Agreement	an investment agreement dated on or around the Adoption Date between, amongst others, the Company and the Investors (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms for the time being).
Issue Price	in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium.
Lien Enforcement Notice	means a notice in writing which complies with the requirements of article 26.2.
Managers	Rowan Sorrell and Martin Astley.
Member of the Same Group	as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.
Model Articles	the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the

	Adoption Date.
Ordinary Shares	the ordinary shares of £0.01 each in the capital of the Company.
Relevant Securities	any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date other than: <ul style="list-style-type: none"> (a) the issue of A Shares pursuant to the EMI Scheme; (b) any Ordinary Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles; and (c) any Ordinary Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Shareholder Consent.
Relevant A Shares	in relation to an Employee means all A Shares held by the Employee in question.
Relevant Ordinary Shares	in relation to an Employee means all Ordinary Shares held by the Employee in question and including any Ordinary Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Ordinary Shares pursuant to the relevant Transfer Notice.
Restricted Ordinary Shares	has the meaning given in article 19.7.
Sale Proceeds	has the meaning given in article 12.1.
Sale Shares	has the meaning given in article 17.2.1.
Seller	has the meaning given in article 17.2.
Shareholder	a holder for the time being of any Share or Ordinary Shares, but excluding any member holding Ordinary Shares in treasury.
Shareholder Consent	the prior consent in writing of a Shareholder Majority.
Shareholder Majority	the holder(s) for the time being of more than 50% by nominal value of all Ordinary Shares in issue from time to time (but excluding any Restricted Ordinary Shares).
Share Option Scheme	any share option scheme of the Company which the Board identifies in writing as being a Share Option Scheme for the purposes of these Articles.
Shares	shares (of any class) in the capital of the Company and Share shall be construed accordingly.
Share Sale	the sale of (or the grant of a right to acquire or to dispose of) any Ordinary Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Ordinary Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of

the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective shareholdings in the Company immediately before the sale.

subsidiary	has the meaning given in article 1.10.
Termination Date	<ul style="list-style-type: none"> (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice is given; (b) where employment ceases by virtue of notice given by the employee to the employer, the date on which such notice is given; (c) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served; (d) where an Employee dies, the date of his death; (e) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or (f) in any other case, the date on which the employment or holding of office is terminated.
Total Consideration	the total consideration payable in cash plus such amount as agreed between the holders of (i) the A Shares; and (ii) the Ordinary Shares (other than the A Shares), (acting reasonably) to reflect any non-cash, deferred or contingent or similar consideration (Uncertain Consideration) payable to or otherwise receivable by those Shareholders selling Shares in respect of their Shares under a Share Sale provided that if such Shareholders are unable to agree the value of the Uncertain Consideration within 10 days of a written request from any holder of A Shares to the holders of Ordinary Shares to do so then the Uncertain Consideration shall be determined by the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Company. In each case the auditors or independent firm of accountants shall have the sole discretion as to how such Uncertain Consideration shall be valued, including the application of any discount).
Transfer Notice	has the meaning given in article 17.2.
Transfer Price	has the meaning given in article 18.

1.2 Headings in these Articles shall not affect the interpretation of these Articles.

1.3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.

- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).
- 1.6 A reference in these Articles to:
- 1.6.1 an Article is a reference to the relevant numbered article of these Articles; and
- 1.6.2 a model article is a reference to the relevant article,
- unless expressly provided otherwise.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.
- 1.10 A reference to a holding company or a subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- 1.10.1 another person (or its nominee), by way of security or in connection with the taking of security; or
- 1.10.2 its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

2 Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model articles 7, 8, 9(1), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 17(1), 22, 26(5), 38, 39, 44(2), 49, and 51 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

DIRECTORS

3 Number of directors

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two and shall except with Shareholder Consent not exceed five.

4 Proceedings of directors

- 4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with article 4.2 (subject to article 4.3 and article 4.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes.
- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.3 A decision taken in accordance with article 4.2 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.4 A decision may not be taken in accordance with article 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 4.6 and article 4.8.
- 4.5 Meetings of the Directors shall take place at least twelve times in each year, with a period of not more than eight weeks between any two meetings. Any Director may call a meeting of the Directors. At least 5 Business Days' advance notice of each such meeting shall be given to each Director (except with the prior consent of the Chairman, when meetings of the Directors may take place less frequently or on shorter notice).

- 4.6 Subject to articles 4.7 and 4.8, the quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors, which must include (for so long as they appointed as Directors):
- 4.6.1 the Chairman or any of the BCF Partners; and
 - 4.6.2 any of the Managers.
- 4.7 If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed with such Directors as are present.
- 4.8 Subject to article 4.7, for the purposes of any meeting (or part of a meeting) held pursuant to article 8 to authorise a Conflict (as defined in article 8.1), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 4.9 If the number of Directors in office for the time being is less than two, the Director in office must not take any decision other than a decision to:
- 4.9.1 appoint further Directors; or
 - 4.9.2 call a general meeting so as to enable the Shareholders to appoint further Directors.
- 4.10 Questions arising at any meeting of the Directors shall be decided by a majority of votes. Subject to article 6.6, if there is an equality of votes, the Chairman (or other chairman of the meeting) shall not have a second or casting vote.
- 4.11 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.
- 4.12 The Directors (acting with Shareholder Consent) may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.

5 Appointment and removal of directors

- 5.1 Subject to article 3 of these Articles, in the event any of the First Directors cease to be a Director, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director, to replace such First Director, by a resolution of the holders for the time being of more than 50% by nominal value of the Ordinary Shares in issue from time to time (but excluding for all purposes any Ordinary Shares held by the relevant Departing Employee).
- 5.2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

- 5.2.1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director;
- 5.2.2 all other Directors resolve that he cease to be a Director; and
- 5.2.3 in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company.

6 Board of Directors

- 6.1 Save as otherwise agreed by Shareholder Majority, the Board shall consist of:
 - 6.1.1 the Chairman;
 - 6.1.2 the BCF Partners; and
 - 6.1.3 the Managers,
(together the **First Directors**).
- 6.2 Each of the Chairman and the BCF Partners shall have the right, for so long as the Chairman and the BCF Partners hold Ordinary Shares, to appoint, by notice in writing addressed to the Company, and to maintain in office, each of themselves (but not each other or any other persons) as a Director of the Company.
- 6.3 Each of the Managers shall have the right, for so long as the Managers are Employees, to appoint, by notice in writing addressed to the Company, and to maintain in office, each of themselves (but not each other or any other persons) as a Director of the Company.
- 6.4 Any appointment of a Director made in accordance with article 6.2 shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.
- 6.5 The reasonable expenses of each Director shall be payable by the Company but save as set out and in accordance with:
 - 6.5.1 the service agreements between the Company and the Managers;
 - 6.5.2 the consultancy agreement between the Company and the BCF Partners; and
 - 6.5.3 the letter of appointment between the Company and the Chairman,no other fees shall be payable to any Directors by the Company.
- 6.6 The chairman of the board of Directors (Chairman) from the Adoption Date shall be Keith Pacey. If the Chairman's appointment is terminated in accordance with his letter of appointment with the Company, the directors appointed by the BCF Partners shall appoint an alternate person as a

director and Chairman, and may remove and replace any such director and Chairman provided that prior to such appointment the directors appointed by the BCF Partners shall consult with the other members of the Board as to the identity of the proposed appointee. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the directors appointed by the BCF Partners present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting but for the avoidance of doubt such person shall not be the "Chairman" for the purposes of these Articles but shall have a casting vote in the event of an equality of votes at any such meeting.

7 Transactions or other arrangements with the Company

- 7.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 7.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 7.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 7.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 7.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
 - 7.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - 7.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person Connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

8 Directors' conflicts

- 8.1 The Directors may, in accordance with the requirements set out in this article 8, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 8.2 Any authorisation under this article 8 will be effective only if:
- 8.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 8.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently):
- 8.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 8.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 8.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - 8.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 8.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 8.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

- 8.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 8.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) and no authorisation under article 8.1 shall be necessary in respect of any such interest.
- 8.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

9 Secretary

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

SHARES AND DISTRIBUTIONS

10 Dividends

- 10.1 Subject to article 10.3, any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Ordinary Shares pro rata to their respective holdings of Ordinary Shares.
- 10.2 Subject to the Act, the Directors may pay interim dividends.
- 10.3 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Ordinary Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.
- 10.4 The A Shares shall not have a right to a dividend.

11 Return of capital

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities (**Capital Proceeds**) shall be applied (to the extent that the Company is lawfully able to do so) amongst the holders of Shares on the same basis (to the extent possible) as the Sale Proceeds are to be distributed in accordance with article 12.1 (whereby for the purposes of this article 11 (i) the Sale Proceeds in

article 12.1 shall mean the Capital Proceeds and (ii) the Equity Value in article 12.1 shall mean a sum equal to the Capital Proceeds).

12 Exit provisions

12.1 On a Share Sale, the Total Consideration (less any reasonable third-party fees and expenses payable by the selling Shareholders under that Share Sale) (**Sale Proceeds**) shall be allocated between the sellers of such Shares as follows:

12.1.1 if the Equity Value of the Company is equal to or greater than the Floor Equity Valuation:

- (a) first, in paying the holders of A Shares in respect of their holdings of A Shares an aggregate amount of £500,000 (subject to adjustment in accordance with article 12.5) in respect of all the A Shares (which shall be allocated to the holders of A Shares pro rata to their respective holdings of A Shares); and
- (b) thereafter, the remaining Sale Proceeds shall be allocated to the holders of Ordinary Shares pro rata to their respective holding of Ordinary Shares;

12.1.2 if the Equity Value of the Company is lower than the Floor Equity Valuation:

- (a) the holders of the A Shares shall each be paid the aggregate Issue Price of such A Shares held by them; and
- (b) thereafter, the remaining Sale Proceeds shall be allocated to the holders of Ordinary Shares pro rata to their respective holding of Ordinary Shares.

12.2 The Directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in the manner as set out in article 12.1 (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:

12.2.1 the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in accordance with article 12.1; and

12.2.2 each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by a Shareholder Majority to ensure that the balance of the Sale Proceeds are distributed in accordance with article 12.1.

12.3 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities (**Disposal Proceeds**) shall be distributed (to the extent that the Company is lawfully permitted to do so) in accordance with article 12.1 (whereby the Sale Proceeds in article 12.1 shall mean the Disposal Proceeds for the purposes of this article 12.3), provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the

provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by a Shareholder Majority (including, but without prejudice to the generality of this article 12.3, such action as may be necessary to put the Company into voluntary liquidation so that article 12.1 applies).

12.4 In the event of an Exit approved by the Directors (acting with Shareholder Consent) (**Proposed Exit**), all Shareholders shall take all lawful actions with respect to the Proposed Exit as are reasonably required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this article 12.4:

12.4.1 the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;

12.4.2 the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and

12.4.3 the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest).

12.5 If, on completion of an Exit or on a return of capital pursuant to article 11 (as the case may be):

12.5.1 the number of A Shares in issue is less than 1,315,790; and

12.5.2 the Equity Value of the Company is equal to or greater than the Floor Equity Valuation,

the aggregate amount of Sale Proceeds, Disposal Proceeds or Capital Proceeds (as the case may be) payable to the holder(s) of the A Shares shall be reduced pro rata to reflect the number of A Shares issued in the capital of the Company where there are less than 1,315,790 A Shares in issue at the relevant time.

13 Variation of class rights

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued shares of that class (excluding any holder(s) of Restricted Ordinary Shares).

14 Pre-emption rights on the issue of further shares

14.1 Save to the extent authorised by these Articles (including the allotment of A Shares pursuant to the EMI Scheme), the Directors shall not, save with Shareholder Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.

- 14.2 Subject to the remaining provisions of this article 14, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:
- 14.2.1 offer or allot;
 - 14.2.2 grant rights to subscribe for or to convert any security into; and
 - 14.2.3 otherwise deal in, or dispose of,
- any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.
- 14.3 The authority referred to in article 14.2:
- 14.3.1 shall be limited to a maximum nominal amount of £251,314.79 being:
 - (a) 24,999,900 of Ordinary Shares; and
 - (b) 1,315,790 of A Shares (pursuant to the EMI Scheme);
 - 14.3.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
 - 14.3.3 may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).
- 14.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 14.5 Unless otherwise agreed by special resolution, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Shares (each an Offeree) in the respective proportions that the number of Shares held by each such holder bears to the total number of Ordinary Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.
- 14.6 An offer made under article 14.5 shall:
- 14.6.1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
 - 14.6.2 remain open for a period of at least 20 Business Days from the date of service of the offer; and

- 14.6.3 stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under article 14.5 shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.
- 14.7 If, on the expiry of an offer made in accordance with article 14.5, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.
- 14.8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with article 14.5 shall be used to satisfy any requests for Excess Securities made pursuant to article 14.6.3. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Shares held by each such applicant bears to the total number of such Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After those allotments, any Excess Securities shall, subject to article 14.9, be offered to any other person(s) as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders.
- 14.9 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 15 Transfers of shares: general**
- 15.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 15.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to article 15.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 15.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Shareholder Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Ordinary Shares held by him.
- 15.4 Any transfer of a Share by way of sale which is required to be made under article 19, article 20 or article 21 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 15.5 The Directors may (and shall, if requested by a Shareholder Majority), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company

and the Shareholders agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company, in such form as the Directors (acting with Shareholder Consent) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this article 15.5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.

- 15.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require:

- 15.6.1 any holder (or the legal representatives of a deceased holder); or
- 15.6.2 any person named as a transferee in a transfer lodged for registration; or
- 15.6.3 such other person as the Directors may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.

- 15.7 If any such information or evidence referred to in article 15.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 5 Business Days of receipt of such written notice, then, unless otherwise directed in writing by a Shareholder Majority:

- 15.7.1 the relevant Ordinary Shares shall cease to confer on the holder of them any rights:

- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Ordinary Shares;
- (b) to receive dividends or other distributions (other than the amount to which they may be entitled pursuant to the application of article 10.1) otherwise attaching to those Ordinary Shares; or
- (c) to participate in any future issue of Ordinary Shares; and

- 15.7.2 the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Ordinary Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The Directors may (with Shareholder Consent) reinstate the rights referred to in article 15.7.1 at any time and, in any event, such rights shall be reinstated in respect of any Ordinary Shares transferred pursuant to article 15.7.2 on completion of such transfer.

- 15.8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:

15.8.1 it does not contain a Minimum Transfer Condition; and

15.8.2 the Seller wishes to transfer all the Ordinary Shares held by him (including any Ordinary Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Ordinary Shares pursuant to the relevant Transfer Notice).

- 15.9 Any Transfer Notice (but not an Offer Notice (as defined in article 20.3) or a Drag Along Notice (as defined in article 21)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Shareholder Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.

- 15.10 Notwithstanding any other provision of these articles the A Shares shall be transferable where the provisions of article 16, article 19.9, article 20 or article 21 apply and on a Share Sale but not otherwise.

16 Permitted transfers of shares

A transfer of any Shares may be made without any price or other restriction with the unanimous consent of the Board, and any such transfer shall be registered by the Directors.

17 Pre-emption rights on the transfer of shares

- 17.1 Except where the provisions of article 16, article 20 or article 21 apply, any transfer of Ordinary Shares by a Shareholder shall be subject to the pre-emption rights in this article 17.

- 17.2 A Shareholder who wishes to transfer Ordinary Shares (a **Seller**) shall, before transferring or agreeing to transfer any Ordinary Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:

17.2.1 subject to article 15.8.2, the number of Ordinary Shares he wishes to transfer (**Sale Shares**);

17.2.2 the name of the proposed transferee, if any;

17.2.3 subject to article 19.5, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**); and

17.2.4 subject to article 15.8.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).

- 17.3 Once given, a Transfer Notice may only be withdrawn with Shareholder Consent.
- 17.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 17.5 As soon as practicable following the later of:
- 17.5.1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
 - 17.5.2 the determination of the Transfer Price,
- the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 17.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 17 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.
- 17.6 The Company shall offer the Sale Shares in the following order of priority:
- 17.6.1 subject to the Act, the Company; and
 - 17.6.2 to the holders of the Ordinary Shares (other than the Seller),
- in each case on the basis set out in article 17.7 to article 17.14 (inclusive).
- 17.7 An offer of Sale Shares made in accordance with article 17.6.1 shall remain open for acceptance for a period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (**Initial Offer Period**). Any Sale Shares not allocated within that period shall be dealt with in accordance with article 17.8 and article 17.9.
- 17.8 Subject to article 17.7, the Directors shall offer the Sale Shares in the order of priority referred to in article 17.6 to the Company (subject to the Act).
- 17.9 If:
- 17.9.1 at the end of the Initial Offer Period, the number of Sale Shares which the Company accepted is equal to or exceeds the number of Sale Shares, the Directors shall enter into an own share purchase agreement with the Seller for the Sale Shares which the Company has opted to repurchase;
 - 17.9.2 not all Sale Shares are accepted in accordance with article 17.9.1, the Directors shall offer the total number of Sale Shares accepted by the Company less than the number of Sale Shares (the balance being the **Initial Surplus Shares**) to the Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy;
 - 17.9.3 at the end of the Second Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Directors shall allocate the Sale Shares to each of the

Shareholders who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all the Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors. No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

17.9.4 not all Sale Shares are allocated following allocations in accordance with article 17.9.3 but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 17.9.3. The procedure set out in article 17.9.3. shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied;

17.9.5 at the end of the Second Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications. Any Sale Shares not allocated under this article 17.9.5 (**Second Surplus Shares**) shall be offered to any other person in accordance with article 17.14.

17.10 Where the Transfer Notice contains a Minimum Transfer Condition:

17.10.1 any allocation made under articles 17.7 to 17.9 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and

17.10.2 if the total number of Sale Shares applied for under articles 17.7 to 17.9 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

17.11 Where either:

17.11.1 the Transfer Notice does not contain a Minimum Transfer Condition; or

17.11.2 allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under article 17.7 to 17.9 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 15 Business Days, after the date of the Allocation Notice).

17.12 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.

17.13 If the Seller fails to comply with article 17.12:

17.13.1 the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller:

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- (b) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
- (c) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

17.13.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Ordinary Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Ordinary Shares) to the Company.

17.14 Where a Transfer Notice lapses pursuant to article 17.10.2 or an Allocation Notice does not relate to all the Sale Shares, then the Seller shall retain the Sale Shares unless and until the Sale Shares are transferred pursuant to the provisions of these Articles.

18 Valuation

18.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director who is the Seller or with whom the Seller is Connected not voting), and the Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.

18.2 The "Fair Value" shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:

18.2.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);

- 18.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 18.2.3 that the Sale Shares are capable of being transferred without restriction;
 - 18.2.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Ordinary Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - 18.2.5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 18.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 18.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 18.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.
- 18.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 18.7 The Independent Expert shall be requested to determine the Market Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 18.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless:
- 18.8.1 the Seller withdraws the relevant Transfer Notice in accordance with clause 17.3; or
 - 18.8.2 in respect of a Deemed Transfer Notice, the Market Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost.

19 Compulsory transfers

- 19.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors (acting with Shareholder Consent) may determine.

- 19.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Ordinary Shares held by it at such time as the Directors (acting with Shareholder Consent) may determine.
- 19.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Ordinary Shares registered in its name (or the name of its nominee(s)).
- 19.4 If an Employee becomes a Departing Employee a Transfer Notice shall, unless the Directors (with Shareholder Consent) otherwise direct in writing in respect of any particular Relevant Ordinary Shares prior to or within 15 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Ordinary Shares (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Ordinary Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 19.5 The Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is:
- 19.5.1 a Bad Leaver, be the lower of the aggregate Issue Price of such Sale Shares and the aggregate Fair Value of such Sale Shares; and
- 19.5.2 a Good Leaver, be the aggregate Fair Value of such Sale Shares.
- 19.6 Notwithstanding the provisions of article 19.5, a Shareholder Majority may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to article 19.5.
- 19.7 Forthwith upon a Transfer Notice being deemed to be served under any of the articles 19.1 to 19.4 the Directors may determine, on written notice to the relevant Shareholder, that the Ordinary Shares (in the case of articles 19.1 to 19.3) or the Relevant Ordinary Shares (in the case of article 19.4) (as applicable) (together the **Restricted Ordinary Shares**) shall cease to confer on the holder of them any rights:
- 19.7.1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of the Ordinary Shares;
- 19.7.2 to receive dividends or other distributions otherwise attaching to those Restricted Ordinary Shares; or
- 19.7.3 to participate in any future issue of Ordinary Shares.

The Directors may (with Shareholder Consent) reinstate the rights referred to in clause 19.7 at any time and, in any event, such rights shall be reinstated in respect of any Restricted Ordinary Shares transferred pursuant to article 19.4 on completion of such transfer or on an Exit.

19.8 If following a Compulsory Employee Transfer in accordance with clause 19.4 all the Relevant Ordinary Shares are not acquired in accordance with clauses 17.7 to article 17.14 (inclusive), on written notice from the Directors (acting with Shareholder Consent) served at any time prior to an Exit the relevant shareholder shall be deemed to serve a further Transfer Notice in respect of any remaining Relevant Ordinary Shares held and the provisions of clause 17 shall apply.

19.9 If an Employee becomes a Departing Employee, where he is a Bad Leaver and holds A Shares in the Company:

19.9.1 the Departing Employee shall be deemed to have served a notice in writing to the Company, offering his Relevant A Shares, subject to the Act, to the Company on the relevant Termination Date; and

19.9.2 the Company shall, subject to the Act, be entitled to acquire such Relevant A Shares at any time following the relevant Termination Date,

and the price payable for the Relevant A Shares held by such Departing Employee shall be the aggregate Issue Price of such Relevant A Shares.

20 **Mandatory offer on change of control**

20.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to clause 16 or clause 24.2, but after the operation of the pre-emption procedure set out in clause 17), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this clause 20 shall apply.

20.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder and, in respect of all Shares held in treasury, the Company (each an Offeree) on the date of the Offer, to buy all of the Shares held by such Offerees on the date of the Offer for a consideration in cash per Share (the **Offer Price**) which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer.

20.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Offeree on the date of the Offer at least 15 Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall specify:

20.3.1 the identity of the Buyer (and any person(s) acting in concert with the Buyer);

- 20.3.2 the Offer Price and any other terms and conditions of the Offer;
 - 20.3.3 the Sale Date; and
 - 20.3.4 the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.
- 20.4 The completion of the Proposed Transfer shall be conditional in all respects on:
- 20.4.1 the making of an Offer in accordance with this article 20; and
 - 20.4.2 the completion of the transfer of any Shares by any Offeree (each an **Accepting Offeree**) who accepts the Offer within the Offer Period,
- and the Directors shall refuse to register any Proposed Transfer made in breach of this article 20.4.
- 20.5 The Proposed Transfer is, but the purchase of Shares from Accepting Offerees pursuant to an Offer made under this article 20 shall not be, subject to the pre-emption provisions of article 17.

21 Drag along

- 21.1 If a Shareholder Majority (the **Selling Shareholders**) wish to transfer all of their interest in Ordinary Shares (**Sellers' Ordinary Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall (with the prior written consent of the Board) have the option (**Drag Along Option**) to require all the other holders of Shares on the date of the request, including the Company in respect of Shares held in treasury, if any (**Called Shareholders**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this clause 21.
- 21.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Ordinary Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:
- 21.2.1 that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this article 21;
 - 21.2.2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
 - 21.2.3 the consideration payable for the Called Shares calculated in accordance with article 21.4;
 - 21.2.4 the proposed date of completion of transfer of the Called Shares.
- 21.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Shareholder Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Ordinary Shares to the Proposed

Buyer (or as the Proposed Buyer may direct) within 20 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 21.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 12.1.
- 21.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 21.
- 21.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Ordinary Shares unless:
 - 21.6.1 all of the Called Shareholders and the Selling Shareholders otherwise agree; or
 - 21.6.2 that date is less than 5 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 15 Business Days after the date of service of the Drag Along Notice.
- 21.7 Within 5 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 5 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to article 21.4 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to article 21.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 21.4 in trust for the Called Shareholders without any obligation to pay interest.
- 21.8 To the extent that the Proposed Buyer has not, on the expiration of the 5 Business Day period, put the Company in funds to pay the amounts due pursuant to article 21.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 21 in respect of their Shares.
- 21.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer)

has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this article 21.

- 21.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares, whether or not pursuant to a Share Option Scheme (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 21 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this article 21.10 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Shares.
- 21.11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of article 17.
- 21.12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

DECISION-MAKING BY SHAREHOLDERS

22 General meetings

- 22.1 No business other than, subject to article 22.2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 22.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

23 Voting

- 23.1 Subject to any other provisions in these Articles concerning voting rights, each Ordinary Share in the Company (but not the A Shares) shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.

- 23.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 23.3 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article.
- 23.4 Model article 45(1) shall be amended by:
- 23.4.1 the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and
- 23.4.2 the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in *their discretion*, accept the notice at any time before the meeting" as a new paragraph at the end of that model article.

24 Purchase of own shares

- 24.1 Subject to the Act but without prejudice to any other provision of these Articles (including, without limitation, article 13.2(e)), the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
- 24.1.1 £15,000; and
- 24.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each Financial Year.
- 24.2 Subject to the remaining provisions of this article 24, on a purchase of Shares in accordance with Chapter 4 of Part 18 of the Act, the Company may:
- 24.2.1 hold the Shares (or any of them) in treasury;
- 24.2.2 deal with any of the Shares, at any time, in accordance with section 727; or
- 24.2.3 cancel any of the Shares, at any time, in accordance with section 729 of the Act.
- 24.3 The provisions of articles 14.4 to 14.9 (inclusive) shall apply to a sale or transfer of Shares held in treasury pursuant to article 24.2.2 save that, for the purposes of this article 24.3:
- 24.3.1 reference in article 14 to an allotment shall include the sale or transfer of Shares; and

24.3.2 reference in the definition of "Relevant Securities" to Shares "issued after the Adoption Date" shall include Shares to be sold or transferred by the Company,

that immediately before the sale or transfer were, in each case, held by the Company as treasury shares.

25 Company's Lien over Shares

25.1 The Company has a lien (the Company's Lien) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

25.2 The Company's Lien over a share:

25.2.1 takes priority over any third party's interest in that Share; and

25.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

25.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

26 Enforcement of the Company's Lien

26.1 Subject to the provisions of this article 26, if:

26.1.1 a Lien Enforcement Notice has been given in respect of a Share; and

26.1.2 the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide.

26.2 A Lien Enforcement Notice:

26.2.1 may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;

26.2.2 must specify the Share concerned;

26.2.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

26.2.4 must be addressed either to the holder of the Share or to a transmittee of that holder; and

- 26.2.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 26.3 Where Shares are sold under this article 26:
 - 26.3.1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
 - 26.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 26.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:
 - 26.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
 - 26.4.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.
- 26.5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
 - 26.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 26.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

ADMINISTRATIVE ARRANGEMENTS

27 Means of communication to be used

- 27.1 Subject to clause 27.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
 - 27.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - 27.1.2 if sent by pre-paid first-class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or

- 27.1.3 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
 - 27.1.4 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - 27.1.5 if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
 - 27.1.6 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
 - 27.1.7 if deemed receipt under the previous paragraphs of this clause 27.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.
- 27.2 To prove service, it is sufficient to prove that:
- 27.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
 - 27.2.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
 - 27.2.3 if sent by email, the notice was properly addressed and sent to the email address of the recipient.
- 27.3 A Transfer Notice (or Deemed Transfer Notice) may not be served or delivered in electronic form, or by means of a website.
- 27.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

28 Indemnity and insurance

- 28.1 Subject to clause 28.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:
 - 28.1.1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any

material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs; and

- 28.1.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in clause 28.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.
- 28.2 This clause 28 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 28.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.
- 28.4 In this clause 28:
 - 28.4.1 **Relevant Loss** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and
 - 28.4.2 **Relevant Officer** means any director or other officer or former director or other officer of any Group Company, but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.

29 Data protection

- 29.1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **Recipient**) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.
- 29.2 The personal data that may be processed for such purposes under this article 29 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Ordinary Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:
 - 29.2.1 a Member of the Same Group as the Recipient (each a **Recipient Group Company**);
 - 29.2.2 employees, directors and professional advisers of that Recipient or any Recipient Group Company; and
 - 29.2.3 funds managed by any of the Recipient Group Companies.

- 29.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.